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E.O. 11652: GDS
TAGS: PINS, PINT, SHUM, ELAB, AR
SUBJECT: VIDELA CALLS FOR A POLITICAL DIALOGUE

SUMMARY: PRESIDENT VIDELA'S CALL FOR A NATIONAL DIALOGUE WITH CIVILIAN POLITICAL SECTORS IS SEEN BY MANY ARGENTINE POLITICAL OBSERVERS AS A SIGN THAT THE STRUGGLE FOR POWER BETWEEN DEMOCRATIC AND AUTHORITARIAN TENDENCIES IN THE ARMY IS BEING WON BY THE MODERATE MILITARY FACTION HEADED BY VIDELA. THERE IS VIRTUAL UNANIMITY IN THE ARMED FORCES THAT BASIC INSTITUTIONAL REFORMS ARE NECESSARY IF ARGENTINA IS TO BREAK ITS SUCCESSIVE CYCLES OF MILITARY TAKEOVERS REQUIRED TO UNDO THE CHAOS LEFT BY WEAK AND INEFFECTUAL CIVILIAN GOVERNMENTS. HOWEVER, THE ISSUES CURRENTLY DIVIDING THE ARMY APPEAR TO INCLUDE THE PERIOD OF TIME NECESSARY TO PREPARE THE GROUND FOR A RETURN TO STABLE CIVILIAN GOVERNMENT, THE POLITICAL GROUP OR GROUPS WITH WHOM THE MILITARY SHOULD "DIALOGUE" CONCERNING THE FUTURE, AND THE STRUCTURE OR SHAPE WHICH THE FUTURE CONSTITUTIONAL GOVERNMENT SHOULD TAKE IN ORDER TO ASSURE THE STABILITY DESIRED. THE VIDELA-VILOA FORCES APPEAR TO FAVOR NEGOTIATIONS WITH TRADITIONAL PERONIST AND RADICAL PARTY POLITICIANS AND A SHORTER TRANSITION PERIOD, WHEREAS AUTHORITARIAN AND RIGHTWING MILITARY MEN SEEM TO BE THINKING IN TERMS OF A MORE RADICAL REFORM OF THE POLITICAL

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ARGENTINA PROJECT (S200000044)

U.S. DEPT. OF STATE, A/RPS/TPS

Margaret P. Grafeld, Director

() Release () Excise () Deny

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SYSTEM, WHICH WOULD REQUIRE MORE TIME. THERE SEEMS TO BE A ROUGH CORRELATION BETWEEN THE DEMOCRACY AND HUMAN RIGHTS ISSUES IN THAT THE MODERATES FAVORING A POLITICAL DIALOGUE TEND TO BE MORE SENSITIVE TO THE HUMAN RIGHTS PROBLEM (AT LEAST FROM THE PUBLIC RELATIONS STANDPOINT), WHEREAS THE AUTHORITARIANS TEND TO BE MORE HARDLINE ON BOTH ISSUES. HOWEVER, THIS IS AN OVERSIMPLIFICATION. TRADITIONAL INSTITUTIONAL RIVALRIES WITHIN THE ARMED FORCES AND PERSONAL AMBITIONS OFTEN SUPERSEDE THE IDEOLOGICAL OR POLICY DIFFERENCES AND CONFUSE THE ISSUES. DESPITE VIDELA'S RECENT GAINS IN THE ARMY, HE IS A LONG WAY FROM WINNING THE STRUGGLE. THE DIALOGUE HAS NOT YET BEEN FORMALLY APPROVED IN THE ARMY AND MOREOVER THE ARMY HARDLINERS APPEAR TO HAVE SIGNIFICANT SUPPORT WITHIN THE NAVY AND THE AIR FORCE. THE LATTER TWO SERVICES ARE PUTTING PRESSURE ON VIDELA TO RELINQUISH HIS COMMAND OF THE ARMY AND STEP DOWN FROM THE JUNTA WHILE REMAINING AS PRESIDENT, I.E. TO BECOME THE -FOURTH MAN." AN IMPORTANT INDICATOR OF THE OUTCOME OF THE IMMEDIATE STRUGGLE IS WHETHER VIDELA WILL BE ABLE TO RETIRE EXTREME HARDLINE GENERALS WHO OPPOSE HIS PLANS. THIS PAPER IS AN INITIAL ATTEMPT TO GET AT THE ISSUES INVOLVED IN "THE DIALOGUE" AND THE CONCLUSIONS CONTAINED HEREIN SHOULD BE REGARDED AS TENTATIVE. END SUMMARY.

1. THE UNLEASHING OF THE GRAIVER AND THE ALUAR SCANDALS BY RIGHTWING MILITARY HARDLINERS IN APRIL AND MAY HAS PROVEN TO REPRESENT NO MORE THAN A TEMPORARY INTERRUPTION IN PRESIDENT VIDELA'S ATTEMPT TO CONSOLIDATE HIS POSITION WITHIN THE MILITARY REGIME AND USE THIS POSITION TO BRING ABOUT THE POLITICAL REFORMS HE IS SEEKING. VIDELA WON MAJOR GAINS DURING THE MEETING OF ARMY GENERALS IN FEBRUARY AND, AS THE COUP MARKED ITS FIRST ANNIVERSARY IN MARCH, THE GOVERNMENT APPEARED TO OBTAIN A NEW DEGREE OF STABILITY. THEN CAME THE CHALLENGE FROM PROVINCIAL GOVERNOR SAINT JEAN (PREVIOUSLY RUMORED AS AN ASPIRANT TO THE "4TH MAN")

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POSITION) IN THE FORM OF THE GRAIVER-ALUAR CRISES. HAVING DISSIPATED THE MOST FRIGHTENING ASPECTS OF THESE POLITICAL STORM CLOUDS (BY REMANDING THE ISSUES INVOLVED TO THE CIVIL AND MILITARY JUDICIAL SYSTEMS), VIDELA RECOVERED SUFFICIENT MOMENTUM TO MAKE A FRESH START TOWARD INITIATING THE PROCESS OF POLITICAL REFORM.

2. IN HIS ARMY DAY SPEECH OF MAY 29 VIDELA ANNOUNCED THAT PLANS

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WERE UNDERWAY TO INSTITUTIONALIZE A "WIDE AND GENEROUS DIALOGUE" WITH ALL SECTORS OF PUBLIC OPINION "EXCEPT THE CORRUPT AND SUBVERSIVES." SUCH A CIVIL-MILITARY DIALOGUE, SAID VIDELA, WOULD PREVENT THE ARMED FORCES, IN THE SOLITUDE OF THEIR POWER, FROM FALLING INTO ELITIST OR CORPORATIVIST HABITS; THE END OBJECTIVE WAS TO BUILD "AN EFFICIENT AND STABLE DEMOCRACY." THERE WAS ANOTHER EQUALLY IMPORTANT DIMENSION TO THE SPEECH: HIS CALL TO BEGIN "WINNING THE PEACE" AFTER THE WAR AGAINST SUBVERSION WAS WON CARRIED WITH IT THE IMPLICIT PROMISE OF GREATER OBSERVANCE OF LEGALITY AND HUMAN RIGHTS IN THE FUTURE.

3. VIDELA THEN REPAIRED TO A KEY MEETING OF ARMY GENERALS MAY 31-JUNE 1, IN WHICH IT IS SAID THAT ALL THE GENERALS PRESENT, EXCEPT TWO, ACCEPTED HIS PROPOSAL TO INCLUDE POLITICIANS IN THE DIALOGUE. ACCORDING TO A CASA ROSADA SOURCE, IT WAS AGREED THAT DETAILED PLANS FOR A NATIONAL DIALOGUE WOULD BE DRAWN UP AND PRESENTED AT THE NEXT REGULAR MEETING OF ALL THE GENERALS SCHEDULED FOR AUGUST. AMONG THE DETAILS PENDING CLARIFICATION ARE THE AGENDA TO BE DISCUSSED, WITH WHOM, WITH WHAT OBJECTIVE AND OVER WHAT PERIOD. REPORTEDLY, THOSE HIGH RANKING OFFICERS WHO CANNOT ACCEPT THE PRESIDENT'S PLAN FOR A POLITICAL DIALOGUE WILL BE EXPECTED TO RESIGN--OR THEY WILL BE RETIRED. FOR THIS PURPOSE, ARMY PROMOTION AND ASSIGNMENT PANELS WILL MEET EARLIER THIS YEAR. (FOLLOWING THE GENERALS' CONCLAVE RUMORS BEGAN CIRCULATING THAT ARMY I CORPS COMMANDER GENERAL SUAREZ MASON, A PRINCIPAL HARDLINER, WOULD BE REASSIGNED OR RETIRED AT THE END OF THE YEAR AND THAT SAINT JEAN WOULD BE REMOVED FROM THE BUENOS AIRES GOVERNORSHIP).

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4. IN AN APPARENTLY SEPARATE ENDEAVOR IN EARLY JUNE, PLANNING MINISTER (GEN.) DIAZ BESSONE PRESENTED TO THE JUNTA A DRAFT INTRODUCTION TO A "NATIONAL PROJECT" OR PLAN FOR OVERHAULING THE NATION'S POLITICAL INSTITUTIONS AND PREPARING THE WAY FOR A NEW CONSTITUTIONAL REPUBLIC. ALTHOUGH OUR PALACE SOURCE VIEWED DIAZ BESSONE'S DRAFT AS A SEPARATE INITIATIVE INTENDED TO UPSTAGE THE PRESIDENT, THE PRELIMINARY WORKING PAPER SUBSEQUENTLY WAS EXAMINED EXTENSIVELY AT VARIOUS LEVELS OF THE NATIONAL GOVERNMENT AND THE ARMED FORCES AND PRESUMABLY WILL PROVIDE THE FRAME OF REFERENCE FOR "THE DIALOGUE" WITH CIVILIAN SECTORS WHENEVER ONE GETS FORMALLY UNDERWAY. INDEED, VIDELA'S RECENT SPEECHES HAVE BEEN INTERPRETED IN THE PRESS AS MEANING THAT GOVERNMENT REORGANIZATION PLANS ARE NOW CONCEIVED AS RESTING ON TWO PILLARS--THE NATIONAL PROJECT AND THE DIALOGUE. HOWEVER, IT IS APPARENT THAT THERE ARE IMPORTANT DIFFERENCES BETWEEN THE TWO PLANS.

5. PARALLELING THE PLANS FOR A "NATIONAL DIALOGUE," IT IS ALSO RELEVANT TO NOTE THAT THERE HAS BEEN A GREATER RECOGNITION OF THE HUMAN RIGHTS PROBLEM IN VIDELA'S PUBLIC PRONOUNCEMENTS OVER THE PAST TWO MONTHS. AS THE WAR AGAINST SUBVERSION WINDS DOWN, VIDELA HAS BEEN QUOTED AS SAYING, THE ABUSES WILL ALSO DISAPPEAR. IN AN ATTEMPT TO AVERT A NEGATIVE U.S. VOTE IN THE WORLD BANK, GOVERNMENT REPRESENTATIVES APPEARED TO BECOME MORE

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RESPONSIVE TO OUR DIPLOMATIC INITIATIVES. ON THE LABOR FRONT THERE ALSO HAS BEEN AN ALBEIT BRIEF CONTRIBUTION TO THE DIALOGUE AS THE GOVERNMENT CONSULTED A GROUP OF HANDPICKED LABOR LEADERS CONCERNING THE GUIDELINES FOR A NEW TRADE UNION LAW RECENTLY APPROVED IN PRINCIPLE BY THE JUNTA.

6. VIDELA'S RECENT INITIATIVES HAVE PRODUCED A FLURRY OF QUASI-POLITICAL ACTIVITY AROUND THE COUNTRY. OVERNIGHT, EVERY CONTACT BETWEEN A LOCAL GOVERNMENT OFFICIAL AND A CITIZENS GROUP, EVERY PRONOUNCEMENT BY A PRESSURE GROUP WAS SEEN AS PART OF THE NEW

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DIALOGUE, THANKS IN PART TO THE MORNING DAILY "LA OPINION" WHICH, INTERVENED BY MODERATE (SOMETIMES ALSO REFERRED TO AS "POPULIST") MILITARY AUTHORITIES ANSWERABLE TO ARMY CHIEF OF STATE VIOLA, UNDERTOOK THE TASK UNOFFICIALLY--AND PERHAPS PREMATURELY--OF PROPAGATING THE NEW PHILOSOPHY. DESPITE THE BAN ON POLITICAL PARTY ACTIVITY, UCRP LEADERS ISSUED A STATEMENT CRITICIZING VARIOUS ASPECTS OF GOVERNMENT POLICY; PERONISTS ANNOUNCED THE OPENING OF A STUDY CENTER; A CONSERVATIVE STUDY AND ACTION GROUP CALLED "SEA" RELEASED A DOCUMENT SETTING FORTH ITS OBJECTIVES; CONSERVATIVE MINIPARTIES ANNOUNCED AN ATTEMPT AT UNIFICATION; AND A NEW SOCIAL DEMOCRATIC SPLINTER GROUP CAME INTO BEING. RESPONDING TO THE GENERALLY FREER AIR, SOME 3,000 PERONISTS ALSO STAGED A BRIEF STREET DEMONSTRATION ON THE ANNIVERSARY OF PERON'S DEATH BEFORE BEING DISPERSED BY POLICE. ON THE LABOR FRONT THE TRADE UNION COMMITTEE CONSULTED BY THE GOVERNMENT WITH RESPECT TO A NEW UNION LAW STATED ITS PREFERENCE FOR RETAINING THE PERONIST LABOR LEGISLATION. THE INTERVENED AUTO WORKERS AND LIGHT AND POWER WORKERS UNIONS ALSO ISSUED STATEMENTS COMDEMNING THE GOVERNMENT'S LABOR POLICIES.

7. AS TO BE EXPECTED, THE VIDELA ADMINISTRATION VIEWED SOME OF THESE DEVELOPMENTS AS GOING TOO FAR TOO FAST AND IT REACTED WITH IRRITATION. THE RADICAL PARTY STATEMENT PUBLISHED TWO
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AFTER THE MEETING OF THE ARMY GENERALS WAS PARTICULARLY UPSETTING FOR THE GOVERNMENT NOT ONLY BECAUSE OF ITS TRONG CRITICISM OF HUMAN RIGHTS ABUSES AND MARTINEZ DE HOZ' ECONOMIC POLICY BUT ALSO DUE TO THE TIMING OF THE DOCUMENT'S RELEASE. VIDELA AIDES WERE FEARFUL IT WOULD ALARM THE HARDLINE GENERALS AND STRENGTHEN THEIR RESOLVE TO RESIST THE PRESIDENT'S PLANS. ACCORDING TO OUR PALACE SOURCE, THE PRESIDENT HAD A CAREFULLY DELINEATED GAME PLAN FOR BRINING THE ARMED FORCES AROUND TO HIS POINT OF VIEW. HE COULD NOT HAVE WON THE GENERALS' APPROVAL OF A POLITICAL DIALOGUE IN FEBRUARY, FOR EXAMPLE. THE RADICAL STATEMENT COULD HAVE UNDONE VIDELA'S SCENARIO, IT WAS ARGUED. IN ORDER TO CALM THE GENERALS, VIDELA AGAIN RESORTED TO THE COURT SYSTEM TO DETERMINE WHETHER THE BAN ON POLITICAL ACTIVITY HAD BEEN VIOLATED. HOWEVER, BY SELECTING A FEDERAL JUDGE OF KNOWN "DEMOCRATIC PERSUASION," IT WAS A FOREGONE CONCLUSION THAT THE CASE AGAINST THE RADICALS WOULD DIE A NATURAL DEATH. (INDEED, A NOT-GUILTY VERDICT WAS HANDED DOWN A WEEK AGO, ALTHOUGH THERE ARE ELEMENTS IN THE GOVERNMENT WHICH STILL APPEAR DETERMINED TO CONTEST THE

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DECISION AND THE MINISTRY OF INTERIOR IN FACT FILED AN APPEAL.)

8. IF THE GOVERNMENT HAD REASON TO BE DISPLEASED WITH THE CRITICAL TONE OF THE COMMENTS FROM TRADITIONAL POLITICAL PARTY AND TRADE UNION QUARTERS WHICH VIDELA'S CALL FOR A DIALOGUE HAD EVOKED, THE CREATIVE IMAGINATION OF AUTHORITARIAN OR CENTER-RIGHT CIVILIAN ELEMENTS WAS NO LESS DISTURBING. IN HIS N.Y. STATEMENT, EX-JUSTICE MINISTER AND "SEA" FOUNDING MEMBER JAIME PERIAUX NOT ONLY PREDICTED THAT THE MILITARY GOVERNMENT WOULD LAST 10 TO 12 YEAR. HE RESURRECTED THE "4TH MAN" THESIS BY REPORTEDLY ANNOUNCING THAT VIDELA PLANNED TO REMAIN AS PRESIDENT, ALTHOUGH STEPPING DOWN FROM THE JUNTA AND RETIRING FROM THE ARMY IN 1979. VIDELA WOULD DO BETTER, SUGGESTED PERIAUX, IF HE ALSO GAVE UP THE PRESIDENCY IN 1979 AND HELD HIMSELF "IN RESERVE" SO THAT HE COULD LAUNCH HIS CANDIDACY AS THE FIRST CIVILIAN

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PRESIDENT AT THE END OF THE PERIOD OF MILITARY RULE. PERRIAUX WAS IMMEDIATELY POUNCED ON BY OLD-LINE POLITICANS FOR HINTING THAT THE GOVERNMENT SHOULD SEEK TO INCORPORATE ALL CENTER AND CENTER-RIGHT OPINION IN A SINGLE OFFICIAL PARTY TO FILL A ROLE SIMILAR TO THAT PLAYED BY THE PRI IN MEXICO. THIS IDEA HAD FIRST BEEN INTRODUCED BY "CARTA POLITICA'S" MARIANO GRONDONA BACK IN APRIL WHEN HE SUGGESTED THE CREATION OF A NATIONAL REORGANIZATION MOVEMENT ("MRN") WHICH, AS ONE ASTUTE POLITICAL OBSERVER CALLED IT, WAS NOT INTENDED "TO WIN ELECTIONS FIRST AND THEN GOVERN BUT TO GOVERN FIRST AND WIN ELECTIONS AFTERWARDS."

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9. GRONDONA'S THESIS WAS DEVELOPED FURTHER IN THE JUNE 23 ISSUE OF THE FORTNIGHTLY MAGAZINE "CONVICCION," WHICH ALSO CONTAINED A DETAILED PLAN FOR GRADUALLY PREPARING THE COUNTRY FOR CIVILIAN RULE OVER THE NEXT 13 YEARS. BECAUSE THIS IS THE MOST ELABORATE STATEMENT OF AUTHORITARIAN (BUT NOT NECESSARILY ANTI-VIDELA) THINKING ABOUT THE POLITICAL FUTURE WHICH HAS APPEARED TO DATE, IT DESERVES SUMMARIZATION HERE. (SOME SAY IT WAS INSPIRED BY THE NAVY, HOWEVER, SEE HAB 8586 FOR THE OUTLINE OF A PLAN PREPARED BY AUTHORITARIAN GEN. OLIVERA ROVERE, THE ARMY'S SECRETARY GENERAL, WHICH BEARS SOME RESEMBLANCE.) THE "CONVICCION" ARTICLE FORESEES A FIVE-STAGE SCENARIO AS FOLLOWS:

(A) 1976-1979. DURING THE REMAINDER OF THE FIRST STAGE,
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CHARACTERIZED AS ONE OF "MILITARY ABSOLUTISM," THE CURRENT GOVERNING STRUCTURE REMAINS IN FORCE, I.E. NO CHANGE IN THE MILITARY JUNTA OR THE PRESIDENCY. TOWARDS THE END OF 1978 THE NUCLEUS OF THE MRN IS TO BE FORMED.

(B) 1979-1982, A NEW MILITARY JUNTA IS TO BE INSTALLED IN 1979, BUT VIDELA REMAINS AS PRESIDENT, I.E. AS "THE 4TH MAN." ADMIRAL MASSERA DND GENERAL AGOSTI, ALREADY RETIRED, BECOME LEADERS IN THE MRN. SOME PARTICIPATION OF CIVILIAN ELEMENTS TO BE ALLOWED IN THE GOVERNMENT, PRESUMABLY SELECTED FROM THE MRN.

(C) 1982-1985. IN ADDITION TO THE INSTALLATION OF A NEW JUNTA IN 1982, VIDELA MUST STEP DOWN FOR ANOTHER MILITARY MAN FROM THE MRN LEADERSHIP WHO WILL BE PRESIDENT UNTIL 1988. THE PROVINCIAL GOVERNORS WOULD ALSO HAVE TO COME FROM THE MILITARY.

(D) 1985-1988. THE JUNTA CHANGES AGAIN, BUT THE PRESIDENT SELECTED IN 1982 REMAINS, HIS PRINCIPAL TASK BEING TO ORGANIZE A REFERENDUM (TO TAKE PLACE IN 1986) REGARDING THE INSTITUTIONALIZATION PROCESS. MAYORS AND CITY COUNCILMEN WOULD BE ELECTED IN 1987 AND PROVINCIAL LEGISLATORS IN 1988 FROM LISTS DRAWN UP REPRESENTING VARIOUS CURRENTS OF OPINION WITHIN THE MRN.

(E) 1988-1991. ANOTHER JUNTA IS INSTALLED, HOPEFULLY THE LAST IN THE REORGANIZATION PROCESS. THE NEW PRESIDENT WOULD COME FROM THE MRN, BUT HE COULD BE A CIVILIAN. IN 1989 THE MRN

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WOULD BE DISSOLVED TO ALLOW ITS MEMBERS TO REGROUP IN ONE OR MORE NEW POLITICAL PARTIES. POSSIBLY, IT WOULD BE SPLIT INTO TWO, LIKE AN AMOEBA, TO FORM THE START OF A TWO-PARTY SYSTEM. ELECTIONS FOR MEMBERS TO THE NATIONAL CONGRESS WOULD BE HELD IN 1990. BY 1991, THE AUTHORS OF THIS POLITICAL SCENARIO HOPE THE
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MILITARY WILL HAVE BEEN ABLE TO WITHDRAW QUIETLY AND SLOWLY TO THE SIDELINES, LEAVING THE CIVILIANS PRESUMABLY FREE TO CALL PRESIDENTIAL ELECTIONS AND TO RUN THE NEW GOVERNMENT ON THEIR OWN.

10. AT HIS PRESS CONFERENCE IN MONTEVIDEO JUNE 24 VIDELA APPEARED TO BE REACTING NOT ONLY THE THE TRIAL BALLOONS LAUNCHED FROM AUTHORITARIAN QUARTERS, BUT ALSO TO BE RETREATING FROM THE EXCESSIVE EXPECTATIONS AROUND IN PERONIST AND RADICAL POLITICAL SECTORS BY HIS CALL FOR DIALOGUE. SAID VIDELA, THE PURPOSE OF THE PROPOSED DIALOGUE WITH CIVILIAN REPRESENTATIVES WAS TO ENRICH THE IDEAS OF THE ARMED FORCES AS THEY WORKED TOWARD THE COMMON OBJECTIVE OF BUILDING A "STRONG, STABLE AND MODERN DEMOCRACY." A "CIVILIAN-MILITARY CONVERGENCE," HOWEVER, DID NOT MEAN THAT THE ARMED FORCES SHOULD FATHER THEIR OWN POLITICAL PARTY. ON THE OTHER HAND, THE DIALOGUE EXCLUDED NOT ONLY SUBVERSIVES, ECONOMIC DELINQUENTS AND THE CORRUPT, BUT ALSO "THOSE WHO EXCLUDED THEMSELVES BECAUSE THEY DO NOT SHARE OUR IDEAS." HE GRUDGINGLY ACKNOWLEDGED THAT THE PROPOSED DIALOGUE COULD BE CALLED "A POLITICAL OPENING," BUT NOT IN AN ELECTORAL SENSE. "WE ARE FAR FROM THE POSSIBILITY OF ELECTIONS, WHETHER MUNICIPAL, PROVINCIAL OR NATIONAL," HE SAID. IN RESPONSE TO A QUESTION, VIDELA DISCLAIMED CURRENT CONSIDERATION OF A "4TH MAN" THESIS, SEEING NO NEED TO CHANGE THE EXISTING POWER STRUCTURE. HOWEVER, HE HEDGED, SHOULD CIRCUMSTANCES DURING THE REORGANIZATION PROCESS SO REQUIRE, HE WOULD NOT RULE OUT NEW SOLUTIONS INCLUDING A 4TH MAN IDEA.

11. THERE HAVE BEEN OTHER INCIDENTS OF STATEMENTS ON THE RECORD WHICH FURTHER SUGGEST THE PARAMETERS OF, OR CONSTRAINTS ON, VIDELA'S CALL FOR DIALOGUE:

-- IT IS RUMORED IN POLITICAL CIRCLES THAT AT A RECENT MEETING OF SENIOR ARMY OFFICERS ARCH-HARDLINER GENERAL SANTIAGO OMAR RIVEROS OPENLY CHALLENGED PRESIDENT VIDELA'S PLANS, ONLY TO BE ARGUED DOWN BY III CORPS COMMANDER GENERAL MENENDEZ, A

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HARDLINER WHO REPORTEDLY HAS MOVED INTO VIDELA'S CAMP. THESE REPORTS DO NOT MAKE CLEAR AT WHICH RECENT MEETING THE ALLEGED ENCOUNTER TOOK PLACE, BUT SEE HAB-8606 FOR A DETAILED REPORT OF AN INCIDENT AT A MEETING OF THE ARMY HIGH COMMAND ON JUNE 30 WHICH SOUNDS AS IF IT MAY BE THE SAME EVENT. (MENENDEZ, INCIDENTALLY, IS INCREASINGLY BEING TOUTED AS A SWINGMAN AND POTENTIAL ARBITER WITHIN THE ARMY.)

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-- THE DECISION TO OFFICIALLY HEADQUARTER THE MILITARY JUNTA AT THE NATIONAL CONGRESS BUILDING LENDS THE IMPRESSION OF UPGRADING THE JUNTA VIS-A-VIS THE OFFICE OF THE PRESIDENCY. IT PARALLELED A RECENT DECREE PLACING LIMITS ON THE AMOUNT OF TIME THE EXECUTIVE POWER COULD HOLD UP LEGISLATION PROPOSED BY THE JUNTA'S LEGISLATIVE ADVISORY COMMISSION (CAL).

-- THE APPOINTMENT OF A PROTEGE OF PERRIAUX, DR. JUAN JOSE CATALAN, AS MINISTER OF EDUCATION AND CULTURE, GAVE THE IMPRESSION, PERHAPS ERRONEOUSLY, THAT VIDELA HAD MADE A CONCESSION TO THE CONSERVATIVE "SEA" GROUP.

-- ON THE SAME DAY THAT VIDELA ADMITTED IN MONTEVIDEO THAT THE

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DIALOGUE COULD BE INTERPRETED AS A LIMITED "POLITICAL OPENING,"
INTERIOR MINISTER HARGUINDEGUY EXPRESSLY REJECTED THIS
DEFINITION.

-- TWO WEEKS AGO THE ARMY ISSUED A COMMUNIQUE CALLING FOR
THE AGING POLITICAL PARTY CHIEFS AND THE LEADERS OF OTHER KEY
SECTORS OF SOCIETY TO TURN OVER THEIR LEADERSHIP POSTS TO A
YOUNGER GENERATION AS A CONTRIBUTION TO THE NATIONAL
REORGANIZATION PROCESS.

-- DESPITE VIDELA'S DISAVOWAL OF THE "4TH MAN" THESIS, RUMORS
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CONTINUE THAT HE MAY STEP DOWN FROM THE JUNTA EARLY NEXT YEAR,
BUT REMAIN IN THE PRESIDENCY. CURIOUSLY, SOME SEE THIS AS A SIGN
OF VIDELA'S GROWING STRENGTH AND THE ASCENDANCE OF THE MODERATE
POSITION IN THE ARMY. ACCORDING TO THE OPTIMISTIC VERSION, VIOLA
WOULD REPLACE VIDELA IN THE JUNTA AS COMMANDER OF THE ARMY.
HOWEVER, WE DOUBT THAT VIDELA WILLINGLY WOULD PERMIT HIMSELF TO
BE SEVERED FROM THE UMBILICAL CORD WHICH TIES HIM TO THE ARMY
COMMAND STRUCTURE WHEN THE MOST LIKELY CONSEQUENCE WOULD BE
HAVING SUCH OPPOSING POLITICAL FIGURES AS "POPULIST" VIOLA AS
ARMY COMMANDER AND JUNTA MEMBER ON THE ONE HAND AND EITHER
HARDLINER SUAREZ MASON OR SUPPOSEDLY EX-HARDLINER MENENDEZ AS
ARMY CHIEF OF STAFF ON THE OTHER. SEE PARAGRAPH 17 BELOW.)

12. THERE HAVE BEEN OTHER INCIDENTS OR MILESTONES MARKING MORE
CLEARCUT POSITIVE GAINS FOR THE VIDELA-VIOLA FORCES IN RECENT
WEEKS: THE APPEALS COURT DECISION RELEASING EX-PRESIDENT
LANUSSE AND FORMER AIDES FROM PREVENTIVE DETENTION (PORBABLY
QUASHING THE CHARGES AGAINST LANUSSE IN THE ALUAR CASE FOR
GOOD); GOVERNOR SAINT JEAN'S TELLTALE PROTESTATIONS OF HIS
DEMOCRATIC AND REPUBLICAN CONVICTIONS TO THE "NEW YORK TIMES";
THE JUDICIAL DECISION ALREADY MENTIONED IN THE MATTER OF THE
UCRP STATEMENT, WHICH IS EXPECTED TO STIMULATE RENEWED
POLITICAL DEBATE; AND ADMIRAL MASSERA'S SPEECH A WEEK AGO
DECLARING THAT DEMOCRACY WAS BEING REBUILT "EVEN FOR THOSE WHO
TORE DEMOCRACY TO SHREDS."

13. ON BALANCE, WE BELIEVE THAT THE MODERATES OF "POPULISTS"
HAVE MADE IMPORTANT GAINS IN THE ARMY OVER THE PAST MONTH OR SO,
AND THAT THIS WILL ADVANCE THE CHANCES OF THE "DIALOGUE" VIDELA
SEEKS. THE END OBJECTIVE APPEARS TO BE THE CONSTRUCTION OF A

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FEDERALIST, REPUBLICAN AND PLURALIST DEMOCRACY TAILORED TO MEET THE DISTINCTIVE CHALLENGES OF THE ARGENTINE POLITICAL CULTURE-- PERHAPS THROUGH SOME ADMISSION OF "CORPORATIST" PRINCIPLES. BUT
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JUST WHAT IS THE SIGNIFICANCE OF VIDELA'S PROPOSED DIALOGUE AND WHAT ARE THE PROSPECTS? FIRST OF ALL, IT SHOULD BE EMPHASIZED THAT ACCORDING TO ITS OWN PROPONENTS "THE DIALOGUE" HAS NOT YET FORMALLY BUGEN. IN ORDER FOR THE ARMED FORCES OFFICIALLY TO APPROVE THE DIALOGUE, THEY MUST FIRST HAVE A CLEARLY DEFINED POLITICAL REORGANIZATION SCHEME ABOUT WHICH THEY CAN "DIALOGUE" WITH CIVILIAN SECTORS. OUR READING OF HAB 8597 SUGGESTS THAT THE ARMY HAS NOT YET DECIDED WHAT FORM THE GOVERNMENT'S STRUCTURE SHOULD TAKE IN THE MEDIUM TERM, LET ALONE WHAT THE NEXT CONSTITUTIONAL GOVERNMENT SHOULD LOOK LIKE. THE DRAFT "NATIONAL PROJECT" WILL NOT BE READY UNTIL NEXT YEAR--IF THEN. SECONDLY, EVEN ASSUMING THAT VIDELA IS DISPOSED TO INCLUDE SOME OF THE OLD TIME POLITICIANS IN HIS PROPOSED DIALOGUE ABOUT THE FUTURE, WE SERIOUSLY DOUBT HE WOULD RESERVE A PRINCIPAL PLACE IN THE FUTURE CIVILIAN GOVERNMENT HE IS PLANNING FOR POLITICAL FIGURES INTIMATELY CONNECTED WITH THE POLITICAL DISASTERS OF THE RECENT PAST.

14. WE TEND TO VIEW VIDELA'S CALL FOR DIALOGUE PRINCIPALLY AS A PSYCHOLOGICAL DEVICE INTENDED TO CONVINCE THE ARMED FORCES TO BEGIN THE PROCESS OF PLANNING THE BASES FOR FUTURE CONSTITUTIONAL GOVERNMENT. AFTER ALL, A DIALOGUE OF SORTS HAS BEEN GOING ON BETWEEN CIVILIANS AND THE MILITARY SINCE THE COUP--ACTUALLY SINCE BEFORE THE COUP. HOWEVER, WE BELIEVE THE ALL-IMPORTANT DIALOGUE OF THE FUTURE, I.E. THE NEGOTIATIONS WITH THE CIVILIAN GROUP EVENTUALLY TO TAKE OVER FROM THE MILITARY IS A LONG WAY FROM BEING APPROVED BY THE JUNTA, NOTWITHSTANDING THE FACT THAT THERE ARE RADICALS AND PERONISTS SALIVATING IN THE WINGS WHO THINK THEY WILL BE INVITED TO JOIN THE CABINET OR OTHER HIGH LEVEL POSTS AS EARLY AS NEXT YEAR.

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15. THERE COULD BE NEW SETBACKS FOR THE MODERATES' TIMETABLE. BETWEEN NOW AND THE NEXT MEETING OF ALL THE ARMY GENERALS SCHEDULED FOR AUGUST, THE HARDLINE GENERALS COULD STRIKE BACK AGAIN AND THE VIDELA "DIALOGUE" PUT IN THE TRASH BASKET. HAB-8606 SUGGESTS THAT VIDELA-VIOLA GROUP HAD CONSIDERABLY ROUGHER GOING IN THE HIGH COMMAND ("ALTOS MANDOS") MEETING OF JUNE 30 THAN IN THE GENERALS' MEETING A MONTH BEFORE. THE SUPPORT OF THE GENERALS WHO ARE MEMBERS OF THE 76TH GRADUATION CLASS OF THE MILITARY ACADEMY IS WHAT APPEARS TO GIVE VIDELA HIS DECISIVE EDGE IN THE MEETINGS OF GENERALS AS OPPOSED TO THOSE OF THE HIGH COMMAND.

16. A KEY CONSTRAINT ON THE DIALOGUE IN THE LABOR SECTOR IS WHETHER MARTINEZ DE HOZ' BECOMING POLICY WILL PROVE SUCCESSFUL. UNTIL THERE ARE GREATER SIGNS OF ECONOMIC RECOVERY IT DOES NOT APPEAR LIKELY THAT HE WILL FAVOR COLLECTIVE BARGAINING, LET ALONE THE RIGHT TO STRIKE, IF HE HAS ANY SAY IN THE MATTER. MOREOVER, OUTBREAKS OF LABOR OR SOCIAL UNREST COULD PRODUCE DEMANDS FOR RENEWED AUTHORITARIAN MEASURES. ANOTHER POTENTIALLY CRUCIAL AND LARGELY UNKNOWN VARIABLE FOR THE MEDIUM TERM COULD BE THE NEW GENERATION OF YOUNG MILITARY OFFICERS WHO HAVE BORNE THE BRUNT OF THE COUNTERINSURGENCY AND WHO PRESUMABLY HAVE AN INTEREST IN PREVENTING FUTURE CONSTITUTIONAL GOVERNMENTS FROM EXAMINING THE COUNTERTERRORIST METHODS USED TO WIN THE WAR. WHETHER THIS

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ELEMENT WILL PLAY A SIGNIFICANT POLITICAL ROLE IN THE FUTURE IS STILL UNCLEAR, BUT SOME OBSERVERS FEAR THAT THERE ARE NATIONALIST AUTHORITARIAN IDEAS STIRRING IN THIS GROUP. [REDACTED] 3-1

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17 DESPITE VIDELA'S RECENT GAINS, THERE IS AN ACCOMMODATION PROCESS AT WORK WITHIN THE ARMED FORCES AND HE PROBABLY WILL HAVE TO COMPROMISE SOME ON HIS PROGRAM IN ORDER TO GAIN THE FULL ACQUIESCENCE OF THE MILITARY. NOT THAT WE SEE HIM WILLINGLY ACCEPTING THE "4TH MAN" THESIS BEFORE 1979 WHEN, BY STATUTE, HE MUST GIVE UP HIS POSITION AS ARMY COMMANDER ANYWAY. UNLESS THERE IS MORE LOGIC AND DYNAMISM BEHIND THE PRESSURE FROM ARMY HARDLINERS AND THE OTHER TWO SERVICES FOR NOT ALLOWING VIDELA TO WEAR HIS JUNTA AND PRESIDENTIAL HATS SIMULTANEOUSLY THAN PRESENTLY MEETS THE EYE, WE ARE SKEPTICAL THAT HE IS ABOUT TO CONCEDE ON THIS POINT--ESPECIALLY WHEN HIS POSITION OF STRENGTH WITHIN THE ARMY APPEARS TO BE ON THE INCREASE. THE AUTHORITARIAN POLITICAL THINKERS HAVE MADE A CONTRIBUTION TO THE DEBATE (OR DIALOGUE), BY PLACING A 13-YEAR OUTSIDE LIMIT ON MILITARY RULE. VIDELA PUBLICLY STILL REFUSES TO BE DRAWN INTO A CONVERSATION OF TIMETABLES, BUT PRESUMABLY HIS SCENARIO CALLS FOR A SHORTER TRANSITION PERIOD. (CURIOUSLY, ADMIRAL MASSERA ALSO MAY BE THINKING IN TERMS OF A RELATIVELY BRIEFER REORGANIZATION PROCESS (5-6 YEARS WAS THE GUESS OF ONE OF HIS AIDES), BUT THIS IS PRESUMABLY BECAUSE OF MASSERA'S OWN PERSONAL POLITICAL AMBITIONS.)

18. ANOTHER APPARENT DISTINCTION IS THAT AT LEAST SOME CONSERVATIVE/AUTHORITARIAN POLITICAL THINKERS TEND TOWARDS A BRAZILIAN-LIKE POLITICAL SOLUTION WITH ARTIFICIALLY STRUCTURED GOVERNMENT AND OPPOSITION PARTIES, WHEREAS VIDELA'S CIVILIAN AIDES CARTER MORE TO THE TRADITIONAL PARTY POLITICIANS (RADICALS,

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PERONISTS AND OTHERS). HOWEVER, VIDELA'S OWN GAME PLAN IS BY NO MEANS CLEAR ON THIS POINT. THE CURRENT POLITICAL LEADERS DO NOT INSPIRE MUCH CONFIDENCE IN IMILITARY RANKS AND VIDELA MAY BE FORCED TO STRETCH OUT HIS REORGANIZATION SCENARIO. SERIOUS ECONOMIC AND POLITICAL PROBLEMS COULD INTERRUPT THE MILITARY CYCLE AS THEY HAVE THE OTHER ARGENTINE IMILITARY GOVERNMENTS OF THE RECENT PAST, REQUIRING A HASTY TRANSFER OF POWER ONCE AGAIN TO THE POLITICIANS. HOWEVER, OUR IMPRESSION IS THAT THE PREDOMINANT MOOD IN THE ARMED FORCES AT PRESENT IS IN FAVOR OF A LONGER RATHER THAN A SHORTER GESTATION PERIOD, NOTWITHSTANDING VIDELA'S RELATIVELY STRONGER POSITION.

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19. IT IS DIFFICULT TO FORESEE AT THIS POINT HOW EVEN VIDELA HIMSELF FORESEES DEVELOPING "THE DIALOGUE" INTO SOME NEW POLITICAL FORMULATION--AND IMPOSSIBLE TO PREDICT THE OUTCOME OF A PROCESS WHICH INVOLVES THE WILL OF SO MANY DISPARATE GROUPS AND THE AMBITIONS OF MANY POWERFUL MEN. WE BELIEVE THAT IF VIDELA CAN SUCCEED IN PRESENTING HIMSELF AS A MODERATOR DEVOID OF PERSONAL AMIBITION, HAVING ONLY NATIONAL INTERESTS IN MIND, THEN A USEFUL "DIALOGUE" CAN BE INITIATED WHICH AT THE LEAST WILL PROVIDE A CLIMATE IN WHICH CIVILIAN POLITICIANS, MILITARY POWER SEEKERS AND BROKERS, INSTITUTIONS AND INTEREST GROUPS CAN EXPRESS THEMSELVES AND EXPECT AT LEAST A RESPECTFUL AUDIENCE. "DIALOGUE" MAY TURN OUT TO BE NOTHING MORE THAN A USEFUL RUBRIC TO COVER "POLITICAL VENTILATION"--BUT THIS IS, AFTER ALL A PROCESS BADLY NEEDED IN ARGENTINA JUST NOW. IF, HOWEVER, VIDELA CAN CONTROL THE DIALOGUE PROCESS FOR SUFFICIENT TIME, AND IF HE CAN SUCCEED IN ACCOMMODATING WITHIN THE PROCESS THE WISDOM OF THE CIVILIAN AND MILITARY ESTABLISHMENTS AS WELL AS THEIR POLITICAL APPETITES, THEN IT APPEARS POSSIBLE TO US THAT REAL BASIC CHANGE COULD RESULT.

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